

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7034**

**BILL NUMBER:** SB 232

**NOTE PREPARED:** Apr 29, 2007

**BILL AMENDED:** Apr 26, 2007

**SUBJECT:** Real Property Issues.

**FIRST AUTHOR:** Sen. Zakas

**FIRST SPONSOR:** Rep. Pierce

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** *Conveyance & Mortgages-* The bill provides that if the mailing address on a conveyance of real property is not a street address or rural route address of the grantee, the conveyance must also include a street address or rural route address of the grantee after the mailing address. The bill provides that a conveyance may not be recorded after June 30, 2007, unless the conveyance meets this requirement. The bill provides that if certain recorded mortgages do not comply with certain requirements or technical recording requirements, the mortgage is validly recorded and provides constructive notice of the contents of the mortgage as of the date of filing.

*Homeowners Association Liens-* The bill establishes procedures for creating, recording, foreclosing, and releasing a lien on real estate filed by a homeowners association for nonpayment of common expenses assessed against the real estate.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Homeowners Association Liens-* The bill allows a homeowners association to assert a lien upon certain real estate, which then can be recorded in the appropriate county and enforced by filing a complaint with the appropriate court. The provisions in this bill could have a fiscal impact in the form of recording fees, court fees, and sheriffs' notice fees. The impact would be dependent on the number of liens claimed.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** County recorders; Circuit or Superior Courts; County sheriff departments.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.